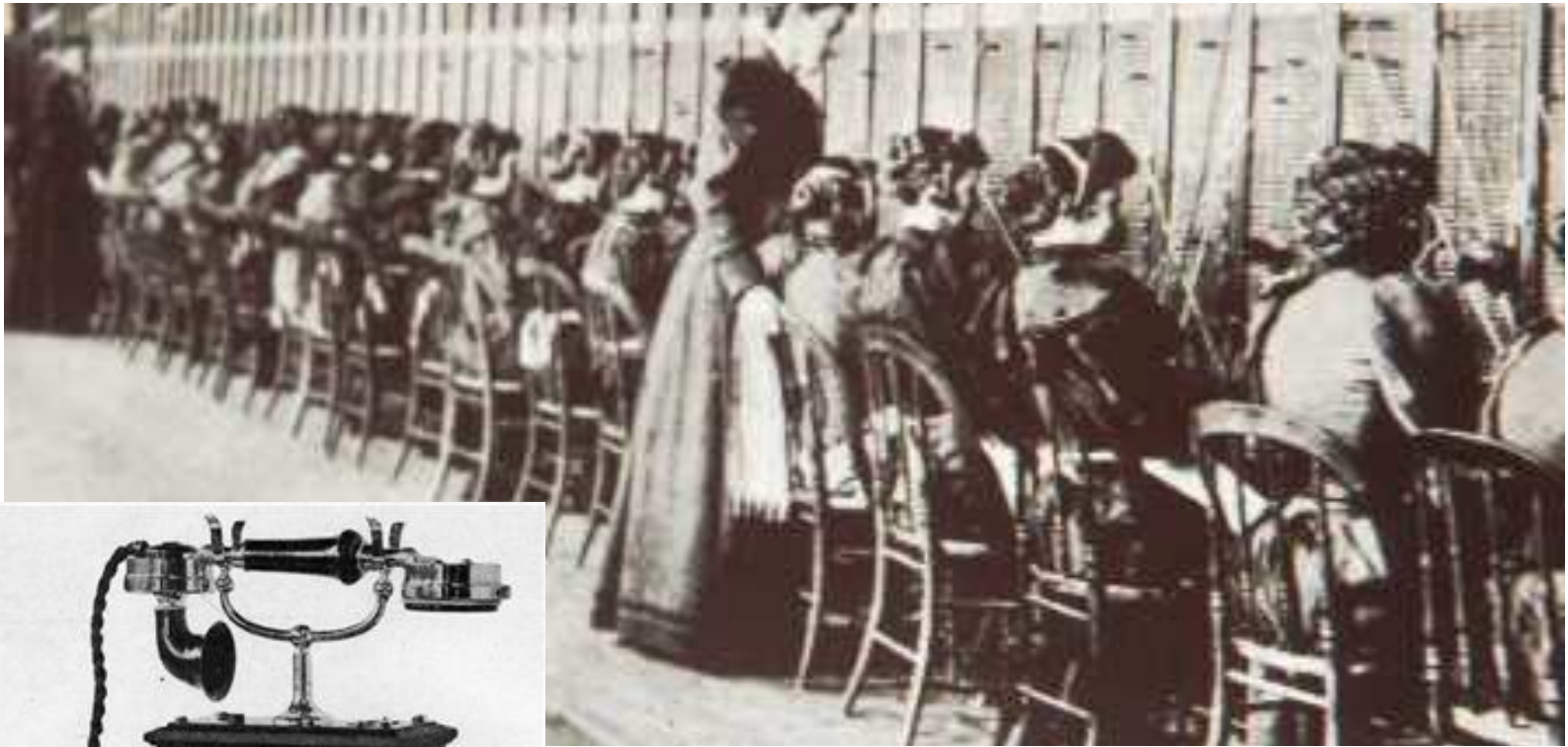


## **2.1 BECOMING AN INDUSTRIAL SOCIETY**

1877-1900

# NEW URBAN INVENTIONS



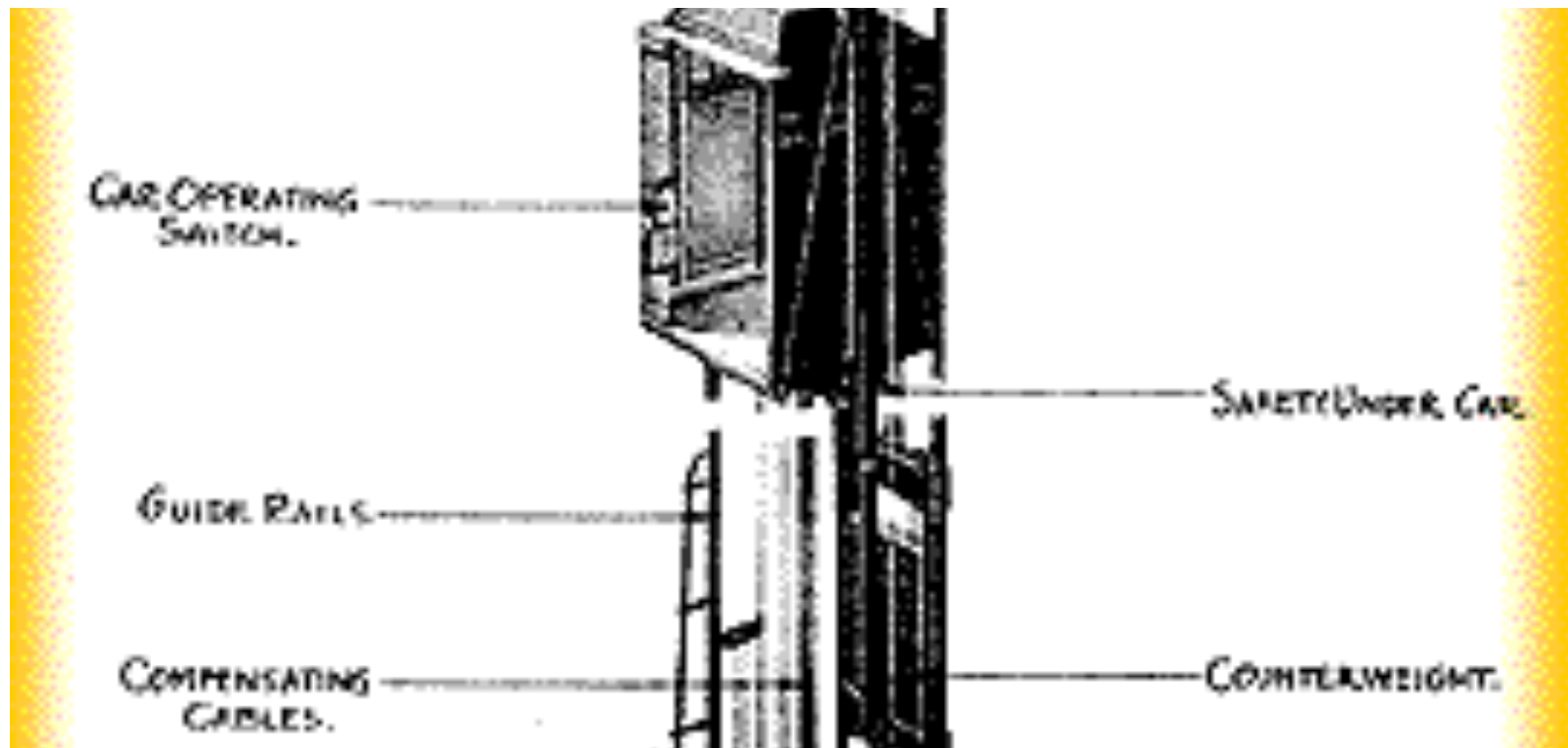
Telephone, Alexander Graham Bell

# NEW URBAN INVENTIONS



Typewriter

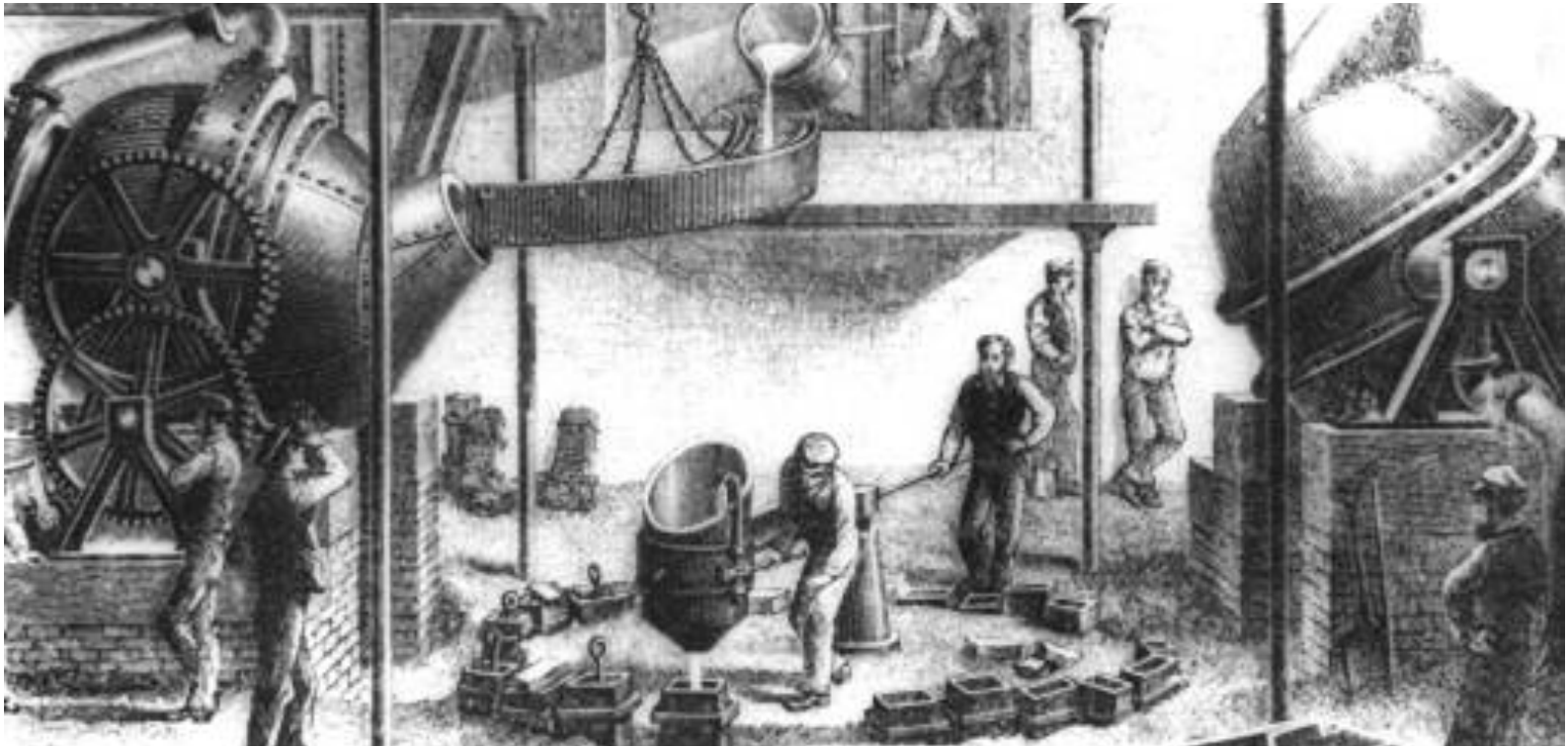
# NEW URBAN INVENTIONS



Safety elevator, Elisha Otis



# NEW URBAN INVENTIONS



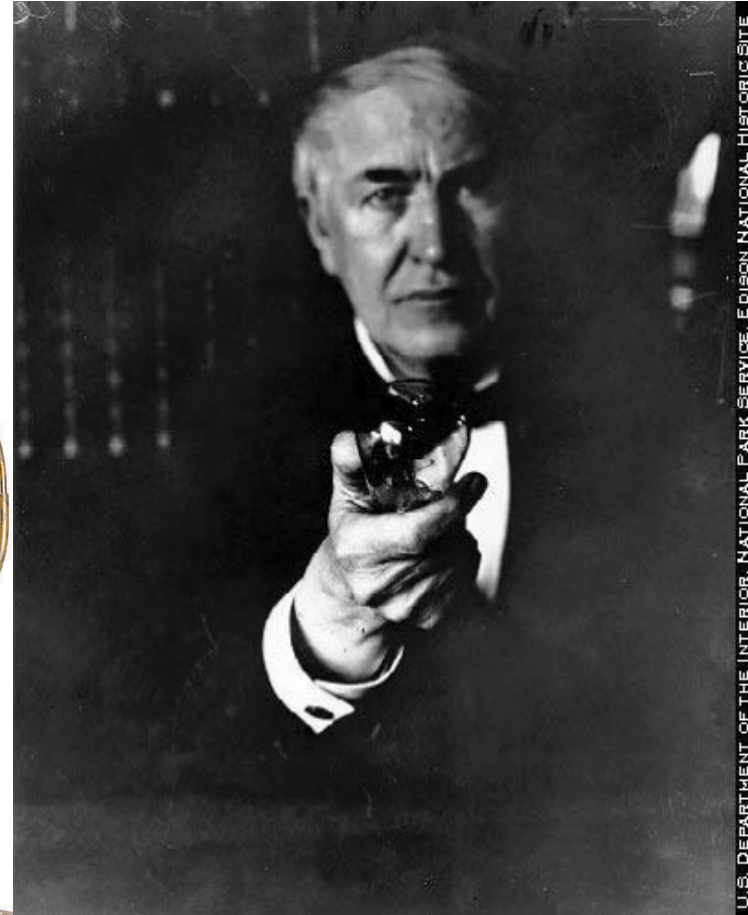
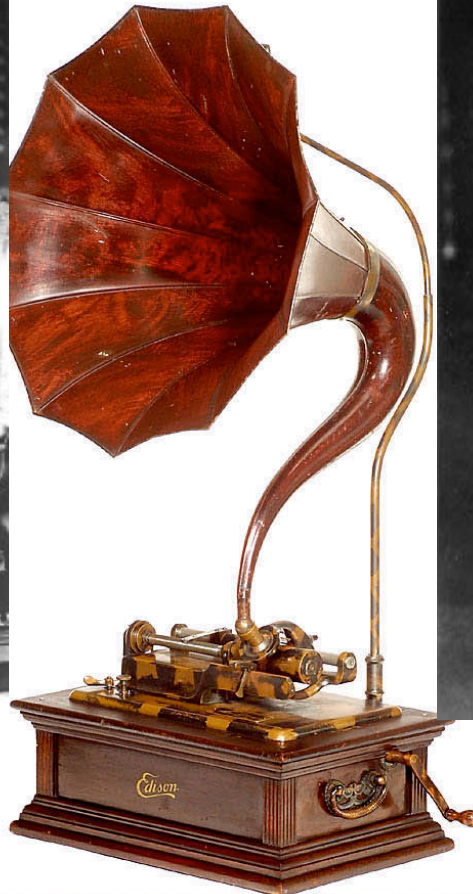
Bessemer Process

# NEW URBAN INVENTIONS



Nickelodeon

Phonograph



Lightbulb

# NEW URBAN INVENTIONS



Air brake, George Westinghouse




# NEW URBAN INVENTIONS



Oil drilling, Edwin Drake

# GILDED AGE PHILOSOPHIES


## Law of Supply and Demand

- The higher the supply of a product, the lower the price will be to get rid of it.
  - If there is a low supply of a product, it is more valuable, and the price goes up.
  - If there is high demand for a product, the price will go up.
  - If there is low demand for a product, the price will go down.
- 




# GILDED AGE PHILOSOPHIES

## Laissez-faire Economics

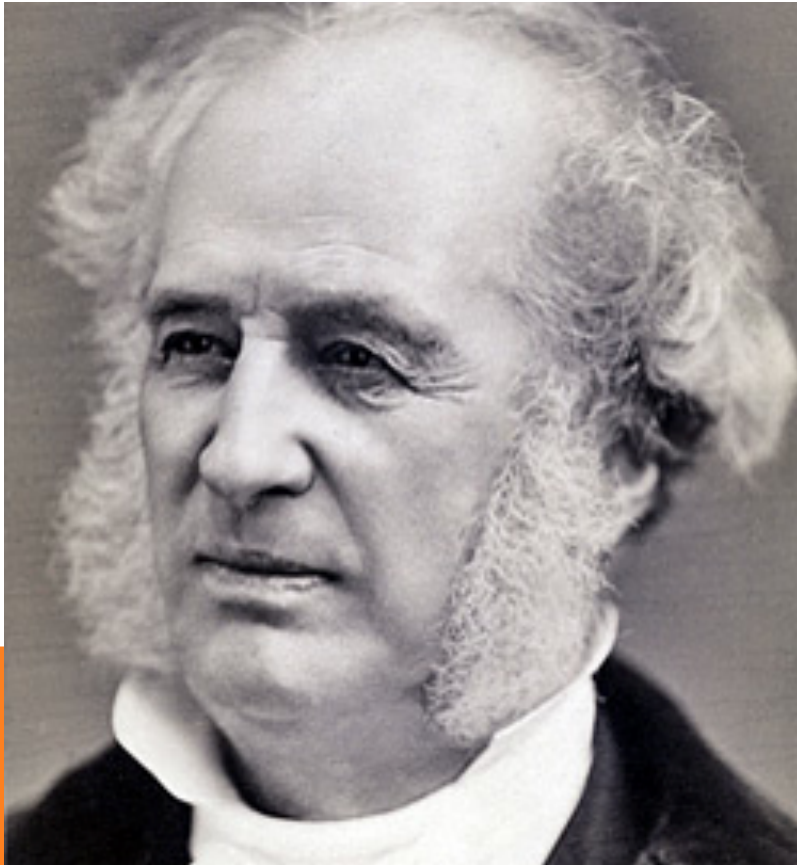
- Let the market work naturally according to the law of supply and demand.
  - Do not allow government regulation to interfere with this natural law.
  - The market does not need rules; it will work itself out according to popular demand.
- 

# GILDED AGE PHILOSOPHIES

## Social Darwinism

- The wealthy used Darwin's recently published theory of evolution to justify the extreme gap between rich and poor in the Gilded Age.
  - People were born with the intelligence and skills needed to acquire wealth and success.
  - If you were wealthy, you were naturally better/stronger/smarter and deserved your success.
  - If you were poor, you either did not have these qualities or did not use them to their potential.
- 

# **“CAPTAINS OF INDUSTRY”**



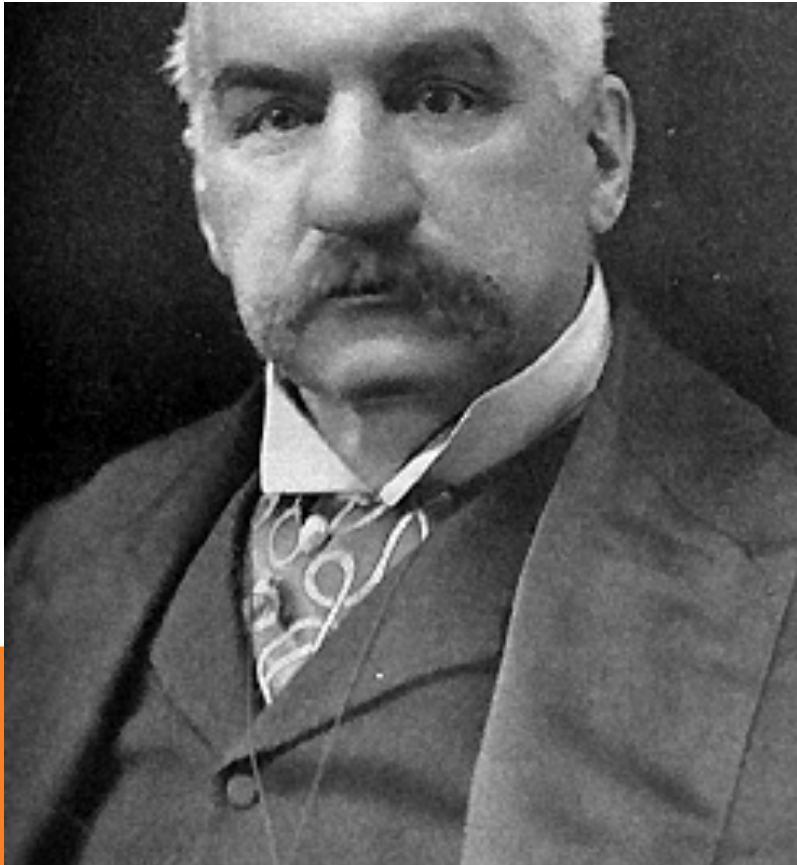
Cornelius Vanderbilt

Railroad tycoon

“What do I care about law?  
Ain’ t I got all the power?”

“I have been insane on the  
subject of money making  
all my life.”

# “CAPTAINS OF INDUSTRY”



## J. P. Morgan

Finance tycoon (banking & investment)

Civil War supplies

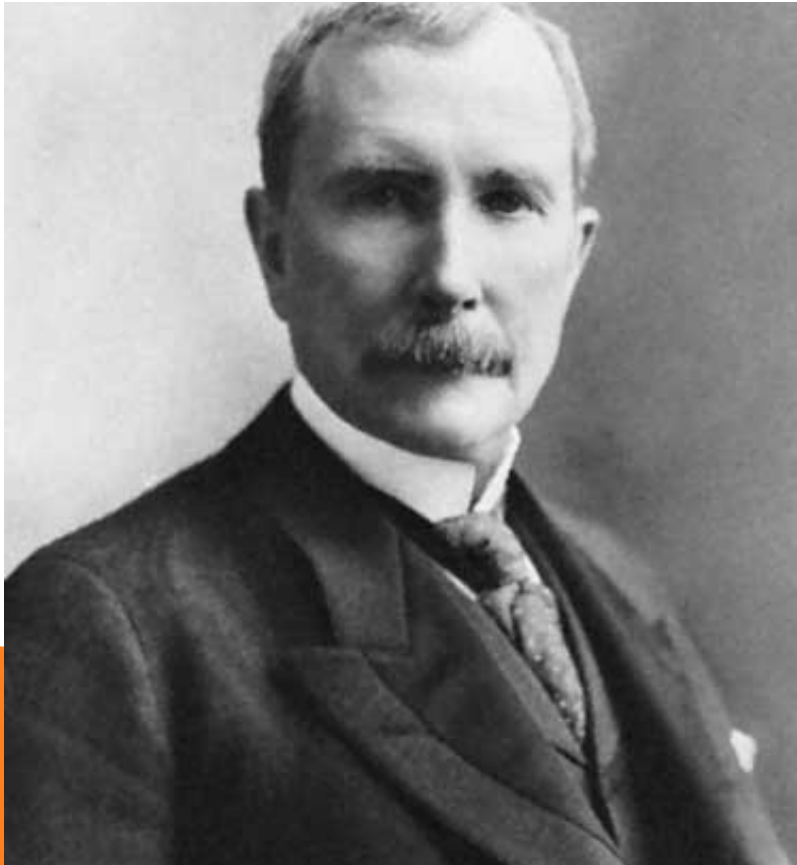
Railroads

Edison's electric company

US Steel (bought from Carnegie for \$500 mil)

Eliminated competition by establishing trusts & monopolies

# **“CAPTAINS OF INDUSTRY”**



## **John D. Rockefeller**

Oil tycoon

First US billionaire

Created Standard Oil Company

Demanded rebates from railroad transport

Bought out competitors (horizontal integration)

Established trusts to combine firms & eliminate competition





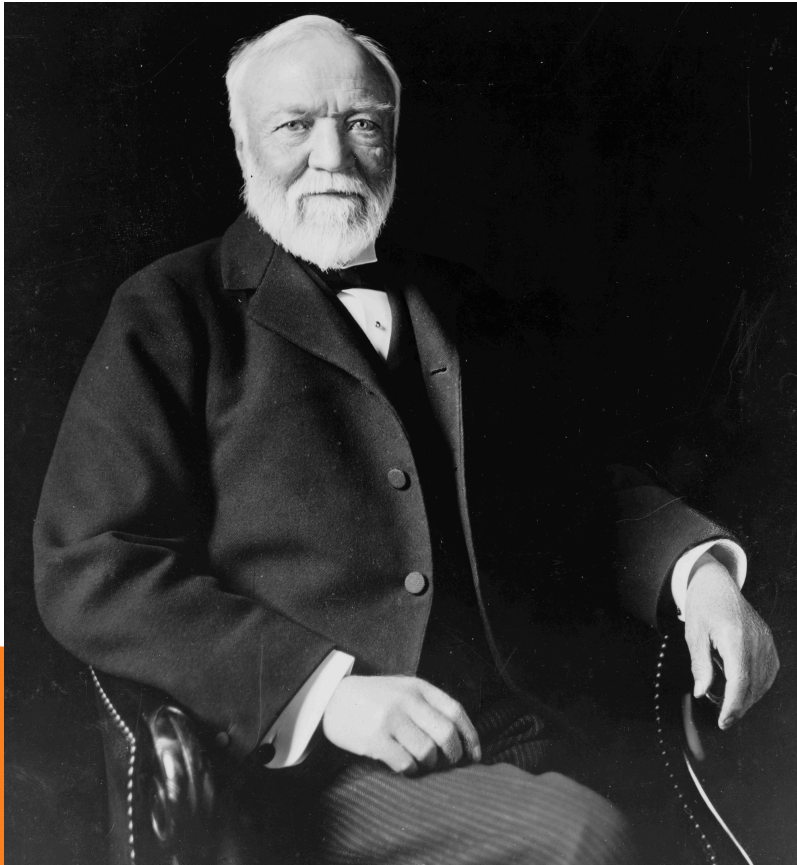








# “CAPTAINS OF INDUSTRY”



## Andrew Carnegie

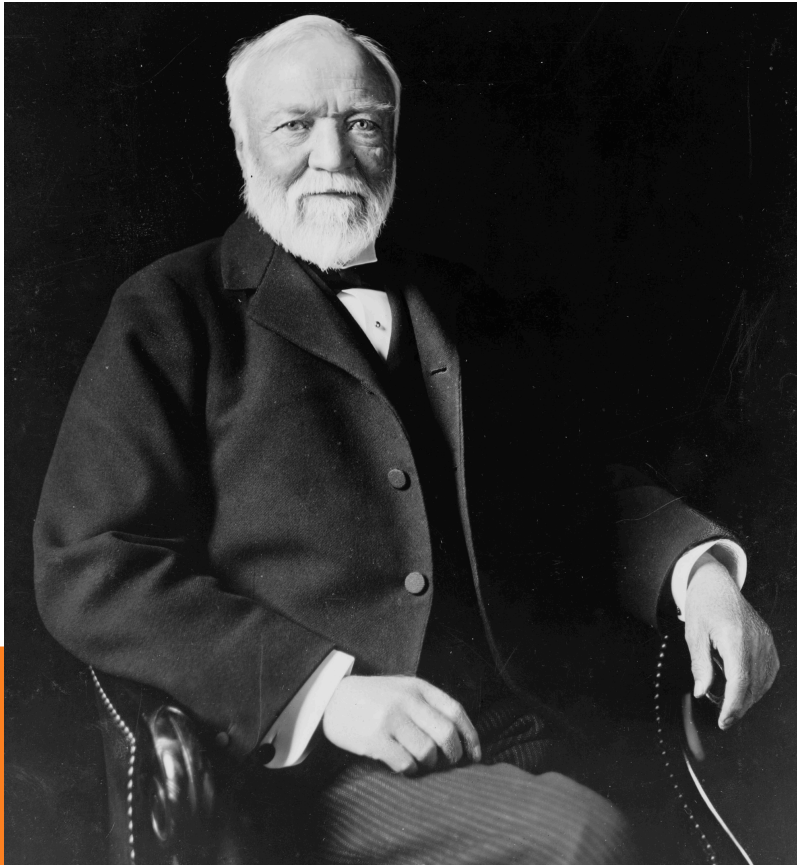
Steel tycoon

“Rags to riches” story

Vertical Integration -owning the  
entire process of production  
and transportation

- Ex: iron mines, steel factories, railroads

# “CAPTAINS OF INDUSTRY”



## Andrew Carnegie

Philanthropist - used some of his wealth for public libraries, schools, and art

His book, *Gospel of Wealth*, argued that people who were blessed had duty to give back to society

Criticized for keeping wages low







FOUR-MILLIONAIRE CARNEGIE IN HIS GREAT DOUBLE ROLE.


IN THE TELEGRAPHIC MESSAGE HE REDUCES WAGES; THAT HE MAY FEAT PHILANTHROPIST AND THEN GIVE BOUNTIES, ETC.





# **“ROBBER BARONS” (?)**

**A capitalist who makes his wealth by exploiting workers, resources, and government officials.**

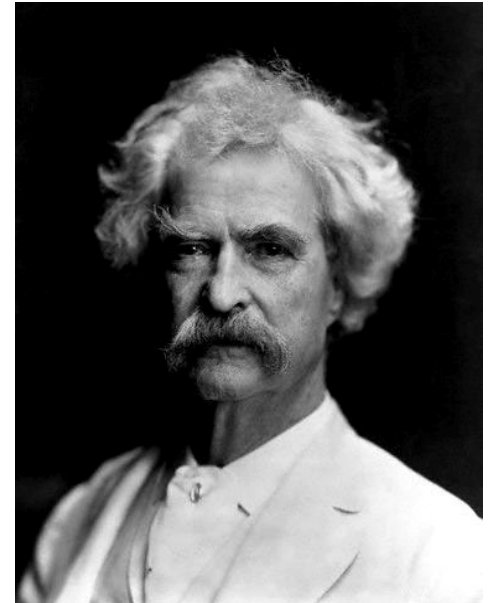
- Not paying workers a fair wage and taking all the profits to make millions.
  - Claiming ownership of public resources and exploiting the environment.
  - Paying off government officials to make laws friendly to their business needs.
- 

## **GILDED AGE**

"The golden gleam of the gilded surface hides the cheapness of the metal underneath."

"Beautiful credit! The foundation of modern society. Who shall say that this is not the golden age of mutual trust, of unlimited reliance upon human promises? That is a peculiar condition of society...which puts into the mouth of a distinguished speculator in lands and mines this remark: 'I wasn't worth a cent two years ago, and now I owe two million dollars.' "

Mark Twain





# **INDUSTRIALIZATION**

The introduction of machine technology, fossil fuel, and the factory system.

Changed American work life from small-town farming to big-city industry.

Americans & immigrants flocked to cities for jobs.

Unskilled workers using machines began to replace skilled workers & apprentice systems.

African Americans began to compete for jobs & housing.



# **WORKING CONDITIONS**

**Dangerous & unsanitary**

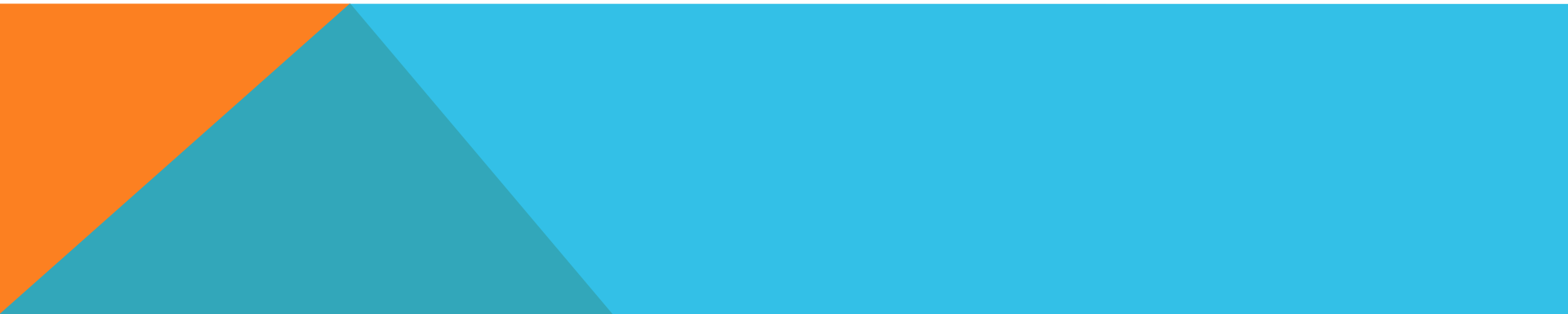
**Low wages & long hours**

- Average income of an urban worker was \$400-\$500 per year.
  - That's \$9,000 per year today.
  - Poverty line today = \$22,000 for family of four.

**Unequal Pay**

**Child Labor**

- Children under 16 contributed 20% of family income.



# WORKERS ORGANIZE INTO UNIONS

## Early organizations to improve work

- Craft Unions - workers with the same **skill** organize
  - Example: a union of plumbers or electricians or bricklayers
- Trade Unions - workers in the same **industry** organize
  - Example: a union of the different crafts needed to build a house
- These organizations began to demand better pay and conditions.




# WORKERS ORGANIZE INTO UNIONS

## Knights of Labor, 1869

- Accepted unskilled workers, immigrants, women, African Americans (no bankers, gamblers, lawyers or saloonkeepers!).
- Socialist view that the capitalist system took advantage of workers and distributed too much income to the upper class.
- Eight-hour day, no child labor, improved safety, equal pay, compensation.


## Haymarket Riot, 1886

- Chicago strike at a McCormick factory leads to police brutality & shootings. A bomb explosion the next day kills several policemen.
  - Many Americans see this violence as a symptom of radicalism and the Knights begin to lose public support.
- 

# A LESS RADICAL UNION

Socialist ideas lose support after Haymarket Riot.

## American Federation of Labor (AFL)

- A more conservative national union led by Samuel Gompers
  - Skilled & middle-class workers
  - Had elements of nativism & anti-immigration
  - Fought for specific reforms within capitalism
    - Increases in wages
    - Shorter hours
    - Sanitary workplaces
    - Injury & death compensation
- 

# STANDING UP TO THE BOSS

Collective bargaining - Bosses & unions negotiate a compromise.

Mediation - A mediator tries to get bosses & unions to realize their common interests & come to an agreement.

Arbitration - When a compromise cannot be reached, a judge or court decides the terms.

Strike - Workers refuse to work until an acceptable agreement is reached.





# INDUSTRY LEADERS FIGHT THE UNIONS

Yellow-dog contract - worker have to sign a contract saying they will not join a union

Lockout - strikers locked out of factory & replaced by “scabs”

Scabs - non-strikers willing to work, often for less pay

Blacklist - makes it hard to get hired if you are a union activist or member

Injunction - court order for strikers to go back to work;  
government troops sent in to break up strikes




# STRIKE!

## The Great Strike, 1877 (railroad)

- Background Stats:
  - 1830 - 23 miles of RR track across the nation
  - 1865 - 35,000 miles
  - 1916 - 254,000 miles; RR industry employed one out of every 25 American workers.
- Panic of 1873 leads companies to slash wages & hours while increasing productivity.
- Workers strike in cities across the nation in the first national strike. Government militias are sent in, they clash with strikers & rioting ensues.
- Immigrants and socialists become scapegoats for the violence in the cities.


# STRIKE!

## Homestead Strike (1892, steel)

- Carnegie's right-hand-man, Henry Frick, wants to cut wages & break the union.
  - Steel workers shut down Carnegie's Homestead mill for five months.
  - Frick hires strike-breaking troops called "pinkertons."
  - After a deadly shootout, strikers were unsuccessful. Workers were fired and replaced, union leaders blacklisted.
  - The American public sympathized with the workers until an attempted assassination of Frick.
- 

# STRIKE!

## Pullman Strike (1894, railroad cars)

- Pullman Palace Car Company cut workers' wages without reducing rent or prices in the company town.
  - Workers, already angry over low pay and long hours, called a strike.
  - Federal government sent in troops to keep the trains moving & break the strike, which set off looting & violence.
  - Strike leaders arrested & strike collapsed.
- 
- A decorative graphic at the bottom of the slide consisting of three overlapping geometric shapes: a large orange triangle on the left, a teal triangle in the middle, and a light blue triangle on the right.

# **SHERMAN ANTITRUST ACT (1890)**

Originally passed to outlaw unfair business practices that squashed competition & set up monopolies.

Wording of the legislation made it “illegal to interfere with trade.”

Bosses and courts used this wording early on to declare strikes illegal and order injunctions for strikers to cease & desist.

Industry bosses used the law made for them against the workers!!





# “OLD” V. “NEW” IMMIGRANTS

## Immigration pre-Civil War

- English, German, Irish, Scandinavian
- Northwestern Europe
- Culturally similar Anglo-Saxon heritage
- Protestant
- Some education & savings
- Bought farms or worked skilled jobs

## Immigration post-Civil War

- Italian, Greek, Polish, Russian
- Southeastern Europe
- Culturally different than before
- Catholic or Jewish
- Unskilled & poor
- Packed into city slums & factory jobs

# IMMIGRATION

## Ellis Island, NYC

- Official point of entry for immigrants
- 1/2 million, first year open 1892

## Theories on immigrant culture

- Melting pot - assimilate & blend in
- Cultural pluralism - maintain cultural traditions in a diverse society

## Nativism

- Anti-Immigration
  - Cultural, religious & economic issues
- Chinese Exclusion Act, 1882
  - Chinese immigration illegal until 1943

# **“HYPOCRITES”**



# **URBANIZATION & INDUSTRIALIZATION**

Immigrants flock to the cities for jobs, forming ethnic neighborhoods

- Polish, Italian, Greek, etc.

**Industrialization** creates wealth but also inequality

- **Sweatshops**

- Factory jobs with long hours, unhealthy conditions, dangerous work, low pay

- **Dumbbell tenement**

- Slum apartments for lower class; not enough light, fresh air, running water, heating, or toilet facilities



# URBANIZATION & INDUSTRIALIZATION

## Urban problems

- Crowded, dangerous, unsanitary
- Poor immigrants often blamed for disease & filth

## Jacob Riis, photographer

- *How the Other Half Lives*, 1890
- Showed the nation the conditions in New York slums

## Jane Addams, social reformer

- Established settlement houses to help relieve poverty & provide support





# LEISURE TIME: OFF THE CLOCK

Bicycles, cameras, clubs

Spectator sports

- Baseball, football, boxing

Public transportation

Amusement parks

Central Park, NYC

- Frederick Law Olmsted

















